

**SECRET**

## C O N T E N T S

(Information as of noon EDT, 27 October 1966)

Far EastPage

- ① VIETNAM  
Communist forces may have begun their fall-winter campaign in three of South Vietnam's northern provinces, and evidently are massing along the Cambodian border for an offensive in that area. East European officials seem to be hinting about improved prospects for peace talks, but Hanoi shows no sign of softening its stand. In Saigon, Premier Ky must still resolve his cabinet crisis, which was papered over before he left for Manila. The crisis, however, does not seem to have slowed the work of the Constituent Assembly.
- ② MUTINY BY LAOTIAN AIR FORCE CHIEF COLLAPSES  
The growth in influence of General Kouprasith, which has been accelerated by the departure of air force General Ma, is likely to result in increased pressure for a greater military voice in the government.
- ③ CAMBODIA MOVES TOWARD IMPROVED RELATIONS WITH THE US  
Sihanouk is no longer certain of a Communist victory in Indochina and has begun to reappraise Cambodia's position. This has inspired a series of steps to expand contacts with the West and open a dialogue with the US.
- ④ CHINESE RED GUARDS STEP UP CRITICISM OF HIGH OFFICIALS  
They have intensified attacks on officials in the party apparatus and begun major criticism of important government officials.

WFO RELATIONS

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2nd sent #12  
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WFO RELATIONS

Test 2 sent #3

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Europe

- ⑤ SOVIET INDUSTRY CONTINUES ITS LACKLUSTER PERFORMANCE  
Moscow's plan-fulfillment statistics for the third quarter of 1966 indicate no significant change in industry from trends observed earlier this year and only a slight improvement in the standard of living.

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- (6) WEST BERLIN MAYOR AND SOVIET AMBASSADOR EXPLORE DETENTE 10  
 Mayor Brandt believes expansion of West Berlin's contacts with the East is essential to the city's future. To this end he has met four times since spring with Moscow's ambassador to East Germany. Both sides see advantages in the exchange which override any concern they may have about objections from the East or West German governments. WITH DELETION  
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## SPAIN INCREASES PRESSURE ON GIBRALTAR

After a fourth inconclusive round of talks, Madrid has imposed trade and traffic restrictions--and threatened to make further such moves--in an effort to force London to concede Spanish sovereignty over the disputed territory. In a bid for US support, Madrid has also warned of repercussions for Western defense interests if it is rebuffed.

12

(9)

## NATO MOVES TOWARD SETTLEMENT OF SOME OUTSTANDING PROBLEMS

The tripartite (US, UK, West German) review of Alliance strategy and financial burden-sharing has gotten under way despite continuing protests from the other allies anxious for a role in these talks. The French have won their point on procedures for talks regarding French forces in Germany. A decision to transfer the North Atlantic Council from Paris to Brussels has been made.

14

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Middle East - Africa

(10)

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(11) TRIPARTITE CONFERENCE IN NEW DELHI PRODUCES NO SURPRISES 15 OK  
 The three-day meeting in New Delhi of Presidents Tito and Nasir and Prime Minister Gandhi is unlikely to infuse new life into the concept of a united nonaligned world.

(12) CENTO LIKELY TO SURVIVE DESPITE DISSATISFACTION AMONG MEMBERS 16  
 Continuing disenchantment with CENTO on the part of Pakistan and Iran is reflected in recent rumors and press speculation that they and their ally Turkey are considering an alternative regional arrangement. The prompt official denials and the inherent political and financial problems involved make any serious move against CENTO unlikely at present.

(13) PURGE OF YEMENI GOVERNMENT CONTINUES 17  
 Egypt's encouragement of President Sallal's ruthless repression suggests Nasir has abandoned any attempt to preserve the image of Yemeni cooperation in Cairo's domination of the country.  
 [REDACTED] 25-1

(14) NIGERIA'S EASTERN REGION AND FEDERAL GOVERNMENT STILL AT ODDS 18  
 The Eastern Region is boycotting the interregional constitutional conference which resumed last Monday in Lagos, negating the modest progress which had been made toward resolving Nigeria's drawn-out governmental crisis, and pushing the East closer to de facto independence.

(15) FOURTH SUMMIT OF AFRICAN UNITY ORGANIZATION DUE EARLY NEXT MONTH 20  
 The conference probably will focus on southern African issues in an effort to revive the flagging interest of the OAU membership. The proceedings may be marred by several bilateral disputes among member states.

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 12 12 words of #3

(16) MOBUTU TRIES TO OUST CONGOLESE PREMIER 21  
 Mobutu has fired Premier Mulamba, but the popular army general is resisting the move and may yet cause trouble.

#### Western Hemisphere

(17) BORDER DISPUTE FLARES UP BETWEEN GUYANA AND VENEZUELA 22  
 Venezuela admits to a calculated decision to build an airstrip on disputed Ankoko Island to "catalyze" long-stalled negotiations over its claims to more than half

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of Guyana's territory. The Guyanese premier's emotional reaction results in large part from fear that his opponents would capitalize on any weakness on his part.

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**(18) ARGENTINE GOVERNMENT MOVES TO END LABOR ABUSES**

The imposition of new work rules governing dock workers indicates that the Ongania regime intends to pursue vigorously its efforts to end privileges long abused by various sections of organized labor--still dominated by Peronist leaders.

25

**(19) PARAGUAYAN PRESIDENT SEEKS OPPOSITION COOPERATION**

Stroessner wants to replace the 1940 Constitution so that he would have a legal basis for retaining the presidency. Even the opposition recognizes that his long authoritarian rule has brought stability to Paraguay and that his re-election would be in the nation's best interest.

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**(20) ANTI-DUVALIER SENTIMENT GROWS IN HAITI**

New signs of disaffection--usually centered in the capital--have emerged in outlying districts

However, no opposition group is well enough organized to mount a serious move against dictator Duvalier at the present time.

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**(21) NEW DEMONSTRATIONS PROBABLE IN PANAMA**

A small-scale Communist-led student demonstration took place last week in the Canal Zone, and celebrations next month honoring national independence and the Panamanian flag have traditionally been occasions for extremist-led political agitation.

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**(22) MOVES AGAINST GUATEMALAN GUERRILLAS MAY SPUR NEW TERRORISM**

The Communists appear likely to renew terrorist activity on a wide scale in an effort to divert army units now encircling guerrilla redoubts in the mountains of northeastern Guatemala.

**(23) TRENDS IN THE LESSER ANTILLES**

Many of the traditionally stable island dependencies in the Caribbean--the British possessions more so than the French or Dutch--are undergoing political changes that will test their democratic order. The difficulties that will be encountered in achieving much-needed economic diversification may further upset established political relations. (Published separately as Special Report OCI No. 0313/66A)

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